



Department of Justice

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WEDNESDAY, SEPTEMBER 14, 2011
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MONTGOMERY, ALABAMA, MAN PLEADS GUILTY FOR ROLE IN TWO TAX FRAUD AND IDENTITY THEFT CONSPIRACIES

WASHINGTON – Alchico Grant, a resident of Montgomery, Ala., pleaded guilty to his role in two tax fraud and identity theft conspiracies, the Justice Department and the Internal Revenue Service (IRS) announced today. In addition to pleading guilty to one count of conspiracy to defraud the government with respect to claims, Grant pleaded guilty to two counts of theft of government money, property or records, one count of wire fraud and one count of aggravated identity theft.

Along with four other defendants, Grant was indicted by a federal grand jury sitting in Montgomery on Dec. 14, 2010, on a variety of charges stemming from a large-scale tax fraud and identity theft conspiracy based in that city. According to the indictment, plea agreement and other court documents, the conspirators used stolen identities to file more than 500 fraudulent tax returns claiming millions of dollars in false tax refunds over a two-year period in 2009 and 2010. According to the plea agreement, Grant agreed that the loss associated with this case was more than \$2.5 million but less than \$7 million. He also agreed that this offense involved more than 250 or more victims.

As part of the conspiracy, Grant opened up bank accounts to receive false tax refunds, recruited other individuals to open bank accounts to receive false tax refunds, and directed others to disburse the tax refunds via checks made payable to third-parties. Grant directed the third-parties to cash the checks and to provide a substantial portion of the money to him. Grant also instructed some of the third parties who cashed the checks to provide false statements to law enforcement. Grant pleaded guilty to one count of conspiracy to defraud the United States and two counts of theft of government property.

Alchico Grant and others were also charged in a separate superseding indictment by a federal grand jury in the Middle District of Alabama unsealed on Sept. 7, 2011, on a variety of

counts stemming from another identity theft and tax fraud scheme. According to the indictment, plea agreement and other court documents, in 2011, Grant and others used stolen identities to file false tax returns claiming fraudulent refunds. As part of the scheme to defraud, Grant purchased prepaid debit cards and other participants directed false tax refunds to those cards. Grant used the prepaid debit cards to obtain the false tax refunds. Grant pleaded guilty to one count of wire fraud and to one count of aggravated identity theft.

Sentencing has not yet been scheduled. Grant faces a minimum of two years in prison and a maximum of fifty-two years in prison, three years of supervised release, restitution and a maximum fine of \$250,000, or twice the loss caused by the offense.

IRS-Criminal Investigation agents investigated this case, and Justice Department Tax Division trial attorneys Jason Poole and Michael Boteler, and Jared Morris, Assistant U.S. Attorney in the Middle District of Alabama are prosecuting the case.

More information about the Tax Division and its enforcement efforts can be found at: www.justice.gov/tax.

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